

Agency:	107 Health Care Authority
Decision Package Code/Title:	PL-EL Eliminate Non-Emergent Adult Dental
Budget Period:	2012 Supplemental
Budget Level:	PL – Performance Level

Fiscal Detail/Objects of Expenditure

	FY 2012	FY 2013	Total
1. Operating Expenditures:			
Fund 001-1 General Fund State	\$ (3,819,000)	\$ (7,876,000)	\$ (11,695,000)
Fund 001-2 GF-Federal - Basic	\$ -	\$ -	\$ -
Fund 001-C GF-Federal - Medicaid	\$ (3,814,000)	\$ (7,874,000)	\$ (11,688,000)
Fund 001-7 GF-Private/Local	\$ -	\$ -	\$ -
Fund 418-1 HCA Admin Account	\$ -	\$ -	\$ -
Total	\$ (7,633,000)	\$ (15,750,000)	\$ (23,383,000)
2. Staffing:			
Total FTEs	-	-	-
3. Objects of Expenditure:			
A - Salaries And Wages	\$ -	\$ -	\$ -
B - Employee Benefits	\$ -	\$ -	\$ -
C - Personal Service Contracts	\$ -	\$ -	\$ -
E - Goods And Services	\$ -	\$ -	\$ -
G - Travel	\$ -	\$ -	\$ -
J - Capital Outlays	\$ -	\$ -	\$ -
N - Grants, Benefits & Client Services	\$ (7,633,000)	\$ (15,750,000)	\$ (23,383,000)
Other (specify) -	\$ -	\$ -	\$ -
Total	\$ (7,633,000)	\$ (15,750,000)	\$ (23,383,000)
4. Revenue:			
Fund 001-2 GF-Federal - Basic	\$ -	\$ -	\$ -
Fund 001-C GF-Federal - Medicaid	\$ (3,814,000)	\$ (7,874,000)	\$ (11,688,000)
Fund 001-7 GF-Private/Local	\$ -	\$ -	\$ -
Fund 418-1 HCA Admin Account	\$ -	\$ -	\$ -
Total	\$ (3,814,000)	\$ (7,874,000)	\$ (11,688,000)

Recommendation Summary Text

The Health Care Authority (HCA) proposes to reduce \$23,283,000 (\$11,695,000 GF-State) by eliminating all non-emergent Adult Dental Services effective January 1, 2012 in the 2012 Supplemental.

Package Description

HCA proposes that funding for all non-emergent Adult Dental Services be eliminated effective January 1, 2012. This proposal will save \$23,283,000 (\$11,695,000 GF-State) during the 2011-13 Biennium.

Dental services are an optional benefit. As part of the 2011 Supplemental and the 2011-13 Biennial Budget changes were made to what was covered and for which populations. The current enacted budget funds comprehensive care, including routine and preventative for clients that fall within specific

Agency:	107 Health Care Authority
Decision Package Code/Title:	PL-EL Eliminate Non-Emergent Adult Dental
Budget Period:	2012 Supplemental
Budget Level:	PL – Performance Level

groups, but only funds emergency care for all other adult clients. The groups identified as eligible for comprehensive care are pregnant women; those who are residents of nursing homes, including a nursing home wing of a state veteran facility; or those institutionalized in a DDD facility; and those on a Developmental Disability or Long-Term Care waiver.

Questions related to the fiscal portion of this decision package should be directed to Marcia Wendling at (360) 725-1836 or marcia.wendling@hca.wa.gov.

Questions related to the programmatic portion of this package should be directed to Gail Kreiger at (360) 725-1681 or gail.kreiger@hca.wa.gov.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

This reduction package identifies savings in response to instructions provided by the Office of Financial Management (OFM) for the 2012 Supplemental Budget.

Performance Measure Detail

This reduction package will eliminate all non-emergent Adult Dental Services effective January 1, 2012 and save \$23,383,000 (\$11,695,000 GF-State).

Activity: H066 Optional Health Benefits: Dental, Vision, and Hearing

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Yes. This package will assist HCA in meeting the targeted reductions as identified by OFM.

Does this decision package provide essential support to one of the Governor's priorities?

Yes. This package assists HCA in implementing changes necessary to meet the reduction targets identified by OFM as part of the 2012 Supplemental Budget and keeping the state's budget balanced.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government (POG) process?

Yes. This package assists HCA in implementing changes to meet the reduction targets identified by OFM as part of the 2012 Supplemental Budget

What are the other important connections or impacts related to this proposal?

The Legislature, as part of the reductions identified in the 2011-13 Biennial Budget, directed the program to eliminate most of the non-emergent Adult Dental Services. The Legislature funded comprehensive care, including routine and preventative for clients that fall within specific groups, but only funds emergency care for all other adult clients. The groups identified as eligible for comprehensive care are pregnant women; those who are residents of nursing homes, including a nursing home wing of a state veteran facility; or those institutionalized in a DDD facility; and those on a Developmental Disability or Long-Term Care waiver.

What alternatives were explored by the agency, and why was this alternative chosen?

Agency:	107 Health Care Authority
Decision Package Code/Title:	PL-EL Eliminate Non-Emergent Adult Dental
Budget Period:	2012 Supplemental
Budget Level:	PL – Performance Level

None, as this is a state only program, which will achieve the highest amount of general fund state savings towards the Governor’s 5% and 10% budget reduction targets.

What are the consequences of not funding this package?

HCA will not be able to meet its budget reduction targets.

What is the relationship, if any, to the state capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

HCA will need to make changes to various chapters to the Washington Administrative Code for dental services (388-535 and 388.535A), federally qualified health centers (388-548) and rural health centers (388.549) and the billing instructions to reflect the changes in coverage. Notify one million clients 30-days prior to implementation with notices translated in their preferred languages of the change in the benefit. In addition, modifications to ProviderOne will be necessary as well as notices to dental providers updating them of these changes. The agency will need 70 days prior to January 1, 2012 to implement this change, as long as there are no exceptions. Exceptions to the complete elimination as proposed in this decision package will require more implementation time.

Expenditure and revenue calculations and assumptions.

Revenue Calculations and Assumptions:

Not applicable.

Expenditure Calculations and Assumptions:

The estimate is based on the complete eliminate of all non-emergent adult dental services. See table below.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

Distinction between one-time and ongoing costs:

This proposal assumes this would be an ongoing reduction.

Budget impacts in future biennia:

This proposal assumes this would be an ongoing reduction.

Agency: 107 Health Care Authority
Decision Package Code/Title: PL-EL Eliminate Non-Emergent Adult Dental
Budget Period: 2012 Supplemental
Budget Level: PL – Performance Level

Fee for Service	FY12 (Count 6 month saving)			FY13			Bien Saving		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
Pregnant Clients	908,000	907,000	1,815,000	1,831,000	1,831,000	3,662,000	2,739,000	2,738,000	5,477,000
DDD Waiver:	398,000	398,000	796,000	796,000	795,000	1,591,000	1,194,000	1,193,000	2,387,000
ADSA Let Clients in Waiver/NH/Inst.	1,429,000	1,428,000	2,857,000	3,022,000	3,022,000	6,044,000	4,451,000	4,450,000	8,901,000
DECOD	198,000	197,000	395,000	395,000	395,000	790,000	593,000	592,000	1,185,000
Total	2,933,000	2,930,000	5,863,000	6,044,000	6,043,000	12,087,000	8,977,000	8,973,000	17,950,000
Final FQHC Differential	FY12 (Count 6 month saving)			FY13			FY13		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
Pregnant Clients	294,000	293,000	587,000	592,000	592,000	1,184,000	886,000	885,000	1,771,000
DDD Waiver:	146,000	146,000	292,000	298,000	298,000	596,000	444,000	444,000	888,000
ADSA Let Clients in Waiver/NH/Inst.	446,000	445,000	891,000	942,000	941,000	1,883,000	1,388,000	1,386,000	2,774,000
Total	886,000	884,000	1,770,000	1,832,000	1,831,000	3,663,000	2,718,000	2,715,000	5,433,000
Total Saving	FY12 (Count 6 month saving)			FY13			FY13		
	State	Federal	Total	State	Federal	Total	State	Federal	Total
Pregnant Clients	1,202,000	1,200,000	2,402,000	2,423,000	2,423,000	4,846,000	3,625,000	3,623,000	7,248,000
DDD Waiver:	544,000	544,000	1,088,000	1,094,000	1,093,000	2,187,000	1,638,000	1,637,000	3,275,000
ADSA Let Clients in Waiver/NH/Inst.	1,875,000	1,873,000	3,748,000	3,964,000	3,963,000	7,927,000	5,839,000	5,836,000	11,675,000
DECOD	198,000	197,000	395,000	395,000	395,000	790,000	593,000	592,000	1,185,000
Total	3,819,000	3,814,000	7,633,000	7,876,000	7,874,000	15,750,000	11,695,000	11,688,000	23,383,000